

Instrument Control Number 20150350500100

## **Commonwealth of Virginia**

Land Record Instrument Cover Sheet-Form A

[efileCX Coverhseet 1.0]

Instrument Type: [ODU]

Number of Parcels [1]

Number of Pages [7]

City County X [Wise County/City of Norton, VA]

Instrument 201503505
Recorded in the Clerk's Office of
Wise County and the City of Norton
On Jul 27, 2015 at 09:17 AM.
J. Jack Kennedy, Jr., Clerk
Recorded by: April Huff
(Box For Deed Stamp Only)

City County X [Wis	e County/City of No	rton, VA]			
	Fir	rst and Second	Grantors		
Last Name		First Name		Middle Name	Suffix
[EQUITABLE PRODUCTION COMP.	[1				
	Fir	st and Second	Grantees		
Last Name			First Name	Middle Name	Suffix
[VIRGINIA GAS & OIL BOARD ]		[ ]		[1	[]
Grantee Address	(Name)	[VIRGINIA GAS & 0	IL BOARD ]		
	(Address 1)	[ ]			
	(Address 2)	[ ]			
	(City, State, Zip)	[ ] [ ] [ ]			
Consideration[00.00 ] A	ssessed Value[00	0.00 ]			
Prior Instr. Recorded at: C	ity County X	Other			
Book [0000 ]	Page[0000	00 ] Instr. No.[ ]			
Parcel Identification no. {PIN}		[000000 ]			
Short Property Description		[ESTABLISHMENT OF PROVISIONAL DRILLING UNIT; VH-531492 ]			
Current Property Address (Addres		[SEE DOCUMENT ]			
	(Address2)	[1]			
	(City, State, Zip)	[WISE ] [VA ] [24293 ]			
Instrument Prepared by		[DEPARTMENT OF	MINES, MINERA	LS AND ENERGY ]	
Recording Paid for by		[DEPARTMENT OF MINES, MINERALS AND EN		LS AND ENERGY ]	
Return Recording to	(Name)	[DEPARTMENT OF MINES, MINERALS AND ENERGY ]			
	(Address1)	[135 HIGHLAND DRIVE ]			
	(Address2)	[ P. O. DRAWER 159 ]			
	(City, State, Zip)	[LEBANON ] [VA ] [24266 ]			



INSTRUMENT PREPARED BY VIRGINIA GAS AND OIL BOARD ORDER RECORDED UNDER CODE OF VIRGINIA SECTION 45.1-361.26

#### VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQT PRODUCTION COMPANY	) VIRGINIA GAS ) AND OIL BOARD )
RELIEF SOUGHT:	ESTABLISHMENT OF A PROVISIONAL DRILLING UNIT CONSISTING OF 320 ACRES DESCRIBED AND DEPICTED IN EXHIBIT A (herein "Subject Lands" PURSUANT TO VA CODE § 45.1-361.20; FOR THE DRILLING OF HORIZONTAL CONVENTIONAL GAS WELLS	) ) DOCKET NO. ) VGOB 10/07/20-2763 ) ) )
LEGAL DESCRIPTIO	N:	)
WELL: VH-5 TO BE DRILL DEPICTED OF FLAT GAP OF	RILLING UNIT SERVED BY 31492 LED IN THE LOCATION ON "EXHIBIT A" HERETO, QUADRANGLE LE MAGISTERIAL DISTRICT ITY, VIRGINIA	) ) ) ) ) )

#### REPORT OF THE BOARD

#### FINDINGS AND ORDER

- 1, <u>Hearing Date and Place</u>: This matter came before the Virginia Gas and Oil Board (hereafter "Board") for final hearing at 9:00 a.m. on July 20, 2010 at the Russell County Conference Center, Lebanon, Virginia.
- Appearances: James E. Kaiser, of Wilhoit and Kaiser, appeared for the Applicant. Sharon M.B.
   Pigeon, Assistant Attorney General was present to advise the Board.
- Jurisdiction and Notice: Pursuant to Va. Code § 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner entitled by the VA. Code and Board Rules to Notice hereof; and (2) has represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of the Application filed herein; Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of due process.
  - 4. Relief Requested: Applicant request the Board issue an order providing as follows:

An establishment of a provisional unit for the exploration, development and production of conventional natural gas from the pool defined as the top of the Mississippi-Devonian Age formations, including, but not limited to, the Weir, Big Lime, Berea, Devonian Shale, and all zones in communication therewith and all productive extensions thereof (hereinafter the "Pool"), underlying the area, as depicted in Exhibit "A" and described as follows:

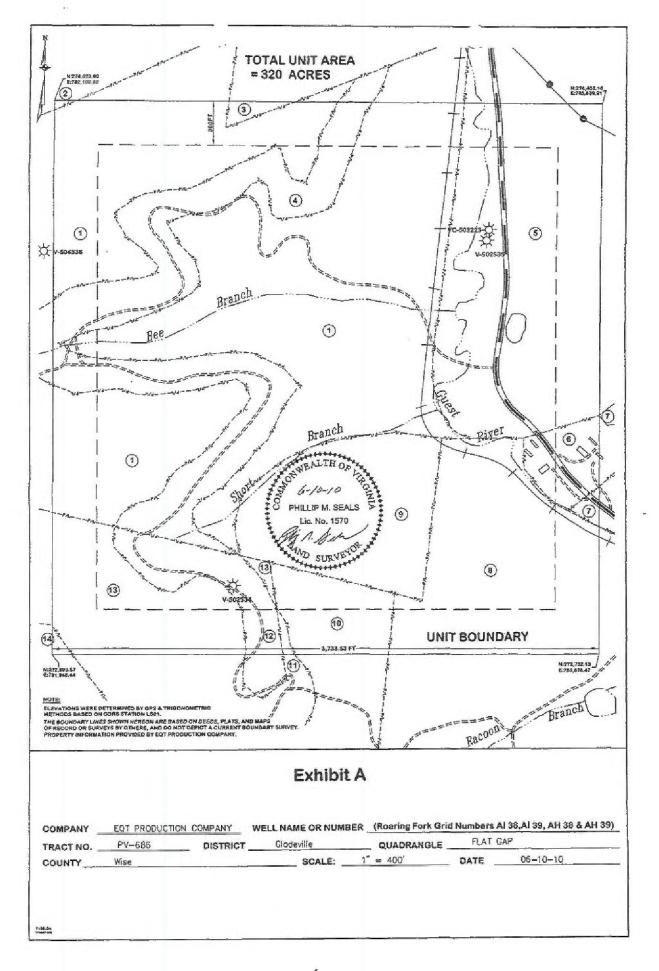
Said boundaries are described using the State Plane Coordinate System as required by 4 VAC 25-160-50.5.c.

Beginning at approximate Virginia State Plane Coordinate (NAD 1927, South Zone): N: 276,623.60; E: 782,109.88, thence East to Virginia State Plane Coordinate (NAD 1927, South Zone): N 276,462.16; E 785,839.91; thence South to Virginia State Plane Coordinate (NAD 1927, South Zone): N 272,732.13; E 785,678.47; thence West to Virginia State Plane Coordinate (NAD 1927, South Zone): N 272,893.57; E 781,948.44; thence North to the point of beginning containing 320.00 acres.

Providing that operations under and in accordance with this order shall be regarded and considered as development, operation and production upon all lands included within the subject provisional drilling unit. Production from any wells drilled on operated, or produced from any part of the provisional drilling unit, no matter where located, shall for all purposes be regarded as production from each separately-owned tract within the subject provisional drilling unit. The portion of production produced from and attributed to the provisional drilling unit and any separately owned tract therein, shall be deemed for all purposes to have been actually produced from such provisional drilling unit and tract, and development, exploration or production operation with respect to any portion of the provisional drilling unit shall be deemed for all purposes to be the conduct of such operation for the production of gas from each separately owned tract in said unit.

- 5. Relief Granted: Granting of such other relief as is merited by the evidence and is just and equitable whether or not such relief has been specifically requested herein shall be and hereby is granted.
  - 6. Special Findings: The Board finds:
  - (1) To Establish a Provisional Drilling Unit pursuant to Va. Code § 45.1-361.20;
  - (2) Allow multiple wells within the provisional drilling unit established hereby as depicted on Exhibit "A"
  - (3) Approve that the dimensions of the unit be 3733' by 3733'
  - (4) That the Unit be established with a 300' interior window with a 600' standoff from horizontal wellbores in adjacent units;
  - (5) That the operator be allowed to drill surface locations (top-hole) outside of the unit so long as all production comes from within the interior window of the unit, and
  - (6) That there be a minimum of 600' between any horizontal wellbore and any vertical well producing from that horizon and that
  - (7) The Order provides for multiple wells for maximum drainage.
  - (8) The Board finds the subject drilling unit conforms to the mine development plan and corresponds with mine operations, including, without limitation, the drilling of multiple conventional gas wells in the subject drilling unit.
- 7. <u>Conclusion</u>: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
- 8. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court.
  - Effective Date: This Order shall be effective as of the date of the Board's approval.

DONE AND EXECUTED this 2015, by a majority of the Virginia C	Gas and Oil Board.				
	Bradley Lamber), Chairman				
DONE AND EXECUTED this day of, and Oil Board.					
	Rick Cooper Principal Executive to the Staff Virginia Gas and Oil Board				
STATE OF VIRGINIA COUNTY OF RUSSELL:					
Acknowledged this					
	Sally Settle Ketron				
My Commission Expires January 31	SETTLE RENOTARY PUBLIC  REG. #7623162  MY COMMISSION EXPIRES 1/31/2019  WEALTH OF				



### **EXHIBIT PL-1 Property Ownership Information**



LEASE NO. 223096LJ PV-686 PRIDEMORE & VENABLE **542.54 ACRES** PENN VIRGINIA OPERATING COMPANY, LLC surface, coat, oil & gas GAS 123.72 AC. 38.66 %

LEASE NO. 223096L/ PV-691 H.A. HUNSUCKER 47.17 ACRES PENN VIRGINIA OPERATING COMPANY, LLC coal, oil & gas GAS 0.94 AC. 0.29 %

(5)

LEASE NO. 223096L/ PV-686 PRIDEMORE & VENABLE 542.54 ACRES PENN VIRGINIA OPERATING COMPANY, LLC oil, gas & coal BELOW DORCHESTER SEAM DELTA RESOURCES INC. - coal DORCHESTER SEAM & ABOVE GAS 53.74 AC. 18.79 %

PHILLIP M. SEALS

Lig. No. 1570

LEASE NO. 223096L/ PV-746 W. H. ROBERTS PO 47.00 ACRES **DELTA RESOURCES INC.** coal, oil & gas GAS 0.67 AC. 0.21 %

(9)

LEASE NO. 223096L/ PV-683 PRIDEMORE & VENABLE **26.20 ACRES** PENN VIRGINIA OPERATING COMPANY, LLC coal, oil & gas GAS 26.94 AC. 8.42 %

LEASE NO. 223096L/ PV-739 W. L. ROBERTS 49.00 ACRES PENN VIRGINIA OPERATING COMPANY, LLC oil, gas & coal EXCEPT KELLY AND IMBODEN SEAMS CONTOUR STRIP ONLY DELTA RESOURCES INC. - coal KELLY AND IMBODEN SEAMS CONTOUR STRIP ONLY GAS 0.36 AC. 0.11%

(2)

LEASE NO. 223101L STEINMAN DEVELOPMENT CO. 92.329 ACRES surface, coal, oil & gas GAS 0.12 AC. 0.04 %

LEASE NO. 223096L/ PV-686 PRIDEMORE & VENABLE **542.54 ACRES** PENN VIRGINIA OPERATING COMPANY, LLC oil, gas & coal EXCEPT KELLY AND IMBODEN SEAMS CONTOUR STRIP ONLY DELTA RESOURCES INC. - coal KELLY AND IMBODEN SEAMS CONTOUR STRIP ONLY GAS 36.38 AC. 11.36 %

6

LEASE NO. 223096L/ PV-748 W. H. ROBERTS PO 47.00 ACRES **DELTA RESOURCES INC.** coal, oli & gas GAS 5.53 AC. 1.73 %

8

LEASE NO. 223095L/ GW-49 W. H. ROBERTS 172.16 ACRES GREATER WISE, INC .coal, oil & gas GAS 35.51 AC.

(10)

LEASE NO. 223096L/ PV-739 W. L. ROBERTS **49.00 ACRES** PENN VIRGINIA OPERATING COMPANY, LLC coal, cil & gas GAS 8.80 AC. 2.75 %

LEASE NO. 223096L/ PV-689 J. & J. HUNSUCKER 47.62 ACRES PENN VIRGINIA OPERATING COMPANY, LLC oil, gas & coal EXCEPT KELLY AND IMBODEN SEAMS CONTOUR STRIP ONLY DELTA RESOURCES INC. - COSI KELLY AND IMBODEN SEAMS CONTOUR STRIP ONLY GAS 8.06 AC. 2.52 %

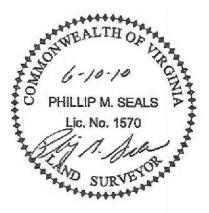
# EXHIBIT PL-1 Property Ownership Information



LEASE NO. 223096L/ PV-689
J. & J. HUNSUCKER
47.52 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
coal, oll & gas
GAS 18.94 AC. 5.92 %



LEASE NO. 223096L/ PV-685
POWELLS RIVER COAL & IRON
464.24 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
coat, oil & gas
GAS 0.31 AC. 0.10 %



## Exhibit

VGOB 10/07/20-2763

Penn Virginia Operating Co., LLC Attn: John Keith Seven Sheridan Square Suite 400 Kingsport, Tennessee 37660

Steinman Development Company Attn:Jim Sykes P.O. Box 249 Norton, V.A. 24273

Greater Wise, Inc. Attn: Hank Ross P.O. Box 668 Norton, VA 24273 Instrument 201503505
Recorded in the Clerk's Office of
Wise County and the City of Norton
On Jul 27, 2015 at 09:17 AM.
J. Jack Kennedy, Jr., Clerk
Recorded by: April Huff